GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:603
ANSWERED ON:05.12.2003
INVESTMENT OF FINANCIAL INSTITUTIONS
TRILOCHAN KANUNGO

Will the Minister of FINANCE be pleased to state:

(a) the investment of financial institutions purpose-wise, institution-wise and State-wise during each of last three years; and

(b) the reasons for low investment in some States?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a): The information as put out in the Report on Development Banking in India 2002-03, brought out by IDBI is annexed.

(b): Investment activity is a function of expected profitability which is influenced by wide array of factors including inter-alia level of infrastructure development, proximity to markets, availability of raw materials and overall policy and regulatory regime in the state. Owing to these factors some states account for low investment as compared to others.